

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

JAN 3 - 1937

EXPERIMENT STATION FILE

Cooperative Extension Work in Agriculture and Home Economics

Extension Service Circular 276

December 1937

AGRICULTURAL ECONOMICS EXTENSION WORK IN 1936

Prepared by
Agricultural Economics Section
Division of Cooperative Extension

CONTENTS

| | Page |
|--|------|
| Summary..... | 1 |
| Farm management..... | 4 |
| Outlook and other timely information..... | 6 |
| Farm credit..... | 8 |
| Statistical report..... | 10 |
| Extension program in marketing..... | 11 |
| Service work to cooperatives..... | 12 |
| General marketing educational work..... | 13 |
| Other phases of agricultural economics extension work..... | 16 |
| Work in cooperation with other governmental agencies..... | 18 |

SUMMARY

Extension activities in the field of agricultural economics in 1936 continued to expand and adjust to the changing needs of farmers. Economic problems and difficulties, arising from the generally depressed condition of agriculture in preceding years, created new demands for assistance which the extension service endeavored to meet. Many farmers were faced with the necessity of adjusting their individual farming operations to meet new demand conditions for farm products and to participate in the national agricultural programs. Although appreciating that conditions had changed, farmers in general needed assistance in interpreting

Distribution.--A copy of this circular has been sent to each State extension director, specialist in marketing, agricultural-college library, and experiment-station library.

these changed conditions to appraise their permanence and significance intelligently. A growing appreciation of the need for considering soil conservation in planning farming operations created additional requests from farmers for assistance in farm-management work. Likewise, farmers manifested an increased interest in the possibilities of improving agricultural conditions through greater national cooperative endeavor. Attacking agricultural problems of general public concern represents another step in the evolution of farmer thinking. Extension activities have been directed toward rendering as much and as valuable a service as possible in assisting farmers to solve these new problems.

The reports of county agricultural agents and extension specialists reveal that during the year 1936 farmers and farm families gave more consideration than ever before to economic problems as they relate to individual farms and to the agricultural industry as a whole. Farmers themselves indicated a keener appreciation of the significance of economic forces affecting their welfare, and rendered more service to their fellow farmers through serving as leaders in their respective communities under the guidance of county agents. Over 94,000 local leaders rendered assistance in attacking economic problems in 1936 as compared with 53,000 in 1935, with an increase of 141 percent in the amount of their time being contributed for that purpose. Twenty-five hundred county farmer committees each met several times to appraise the agricultural problems of their area and the Nation, and to recommend adjustments and action needed more effectively to meet these problems.

County agents and specialists met these enlarged requests for assistance in solving economic problems despite greater demands for their service in other fields of extension activity. The number of meetings concerning economic problems held in the various counties increased from 56,247 in 1935 to 102,043 in 1936. The number of economic news articles published and circular letters issued practically doubled. Agents and specialists made 265,340 farm and home visits in 1936 as compared with 158,652 in 1935 and received nearly $4\frac{1}{2}$ million office calls relative to economic problems as compared with less than 2 million during the previous year. Increased help was given to farmers in planning adjustments on their individual farms, and in familiarizing farmers with the general economic outlook and the outlook for the various commodities. Assistance given to individuals on farm-business records was somewhat less than in 1935 but equal to the level reached in 1934, which was approximately double that of the previous years.

Farm-financing assistance declined considerably in its emergency phases as the economic conditions of farmers became improved. However, the more fundamental and the longer time phases of farm-financing assistance increased materially during this period. Further advancements were made in developing an extension program of assistance to farmers with their credit problems.

Services rendered by extension workers in the field of marketing also increased substantially in 1936 over preceding years. Agents and specialists in giving more time to this work obtained the assistance of

a larger number of local leaders than formerly. Efficient business management training work for managers of cooperatives, marketing agreement work, and educational meetings for farmers concerning the fundamental principles of marketing all came in for increased attention.

Another accomplishment in economics extension work during the year was the obvious development on the part of farmers and extension workers in analyzing farm problems from the standpoint of (a) the industry as a whole, (b) the farm as a unit, rather than from the standpoint of an individual commodity situation alone, and (c) the long-time outlook for both individual commodities and the agricultural industry when considering needed adjustments in prevailing farming systems. There is a growing appreciation of the necessity for evaluating proposed adjustments in farming operations from the viewpoint of their effects on the net income from the entire farm. Continued worth-while progress was made in this direction during 1936.

The following statistical summary (table 1) depicts some of the accomplishments in the field of economics extension work in 1936 with comparisons:

Table 1. - Result of Economics Extension Activities
in the United States, 1934-36, Inclusive

| Activity | 1934 | 1935 | 1936 |
|--|-----------|-----------|-----------|
| Communities in which work was conducted..... | 74,065 | 83,468 | 101,620 |
| Voluntary local leaders or committeemen assisting..... | 67,451 | 53,469 | 94,385 |
| Days of assistance rendered by voluntary leaders or committeemen..... | 176,081 | 120,053 | 289,567 |
| Meetings held..... | 58,987 | 56,247 | 102,043 |
| News stories published..... | 41,053 | 39,138 | 72,475 |
| Different circular letters issued..... | 33,156 | 27,110 | 63,744 |
| Farm or home visits made..... | 141,285 | 158,652 | 265,340 |
| Office calls received..... | 2,046,140 | 1,874,212 | 4,470,013 |

FARM MANAGEMENT

The financial distress experienced by such a large share of farmers in the years immediately prior to 1936 resulted in a rapidly increasing appreciation on their part of the need for a more careful appraisal of farm-business operations. Farmers became more concerned as to whether their usual farming organizations and procedures were resulting in the best possible income from a long-time viewpoint, as well as ways and means of keeping operating expenses at a reasonable level. Consequently, assistance to farmers in the keeping of farm-business records, analysis of the farm business as revealed by such records, and the working out of adjustments which would increase the net farm income continued to be a major activity in farm-management extension work.

The demand of farmers for such direct assistance has increased in recent years to the point where in many States more requests for help are received by extension workers than time and available personnel will permit giving consideration. This increase can be attributed primarily to: (a) The financial distress experienced by farmers during recent years and their growing appreciation of the necessity for more carefully studying their farming operations in order to obtain the largest return consistent with a sound long-time farming program; (b) the need for factual information in connection with the various agricultural-adjustment programs; and (c) the record of assistance rendered by extension workers to farmers in the past in adjusting their farming operations to return a larger income.

Record-keeping work with farmers was given quite a stimulus through the issuance of a simplified farm record book by the Agricultural Adjustment Administration in 1934. However, the effectiveness of this stimulus was minimized by the invalidation of the old A. A. A. programs in 1936. Despite that fact county agents reported that nearly a third of a million farmers were keeping the A. A. A. book in 1936, and over 51,000 farmers were keeping the State record books obtained from the service in the regular extension record projects. This is nearly twice the number of farmers who were receiving this help during the period 1931 to 1933.

In addition to the general farm-business record work done a considerable number of enterprise records were kept by farmers under the guidance of agents and specialists, and a large number of inventories of farm property were made and credit statements prepared by farmers. Numerous farm surveys were made by extension workers in an attempt to determine major farm problems in the areas involved and to work out solutions for these problems with the farmers of the areas.

In order to advise as many farmers as possible regarding the essentials of successful farm organization and management, extension workers conducted demonstration meetings, held farm-management tours to inspect different types of successful farm organizations, conducted farm-management schools and correspondence courses in farm management, rendered individual service upon request through personal contacts and correspondence, prepared

educational exhibits and film strips for public gatherings of an appropriate nature, and utilized general informational channels such as the radio and the press.

Additional attention was given during the year to the establishment of "farm-management service routes" wherein groups of farmers cooperate with the extension service to hire an adviser who spends his time helping farmers to analyze their existing farm organizations and adjust their farming systems so that more efficient and profitable businesses will result. Such work was carried in four different States in 1936.

In addition to work with adults, extension workers gave considerable time to the training of 4-H club members in the principles of farm-business record keeping and the principles of sound farm management. They also provided rural schools with teaching materials derived from farm records in order that as many of the prospective farmers as possible might be informed concerning sound farm-business principles before entering into the farming business for themselves.

In the field of individual farm planning farmers made over 167,000 calls at the offices of county agents; agents themselves made over 24,000 farm visits, prepared 4,500 news stories and circular letters, held 5,430 meetings, worked in over 10,000 communities, and, together with specialists, spent nearly 20,000 days rendering such assistance to farmers. This represents an increase of approximately 100 percent over the amount of such assistance in the 2 preceding years. Included in this work was the establishment of demonstration farms in a few States where reorganization plans were developed emphasizing soil conservation and increased income. Meetings were held on these farms in 1936, and additional meetings are planned on the same farms in succeeding years to observe the changes made and results attained.

Farm leasing problems also received increased attention in 1936 with 87,866 farmers being assisted with leasing problems as compared with 67,563 in 1935. Plans were laid for more extensive work with farmers relative to tenancy and leasing problems during the ensuing year.

The following statistical summary (table 2) indicates in part the extent of farm-management extension work in 1936 with comparisons:

Table 2. - Farm Management Extension Results
1936 with Comparisons

| Item | Year | | | |
|------------------------------|--------------------|-----------|---------|---------|
| | 1931-33 average | 1934 | 1935 | 1936 |
| Farmers keeping - | | | | |
| Farm records: | | | | |
| Regular..... | 27,109 | 51,801 | 60,406 | 51,390 |
| A. A. A. | ----- | 1,008,869 | 655,194 | 331,791 |
| Enterprise accounts..... | 21,039 | 69,219 | 70,454 | 48,152 |
| Farm-management changes - | | | | |
| Based on accounts..... | 32,563 | 89,310 | 73,271 | 57,386 |
| Due to other influences..... | 103,845 | 205,537 | 161,816 | 342,223 |
| Farmers assisted with - | | | | |
| Leases..... | 27,798 | 76,952 | 67,568 | 87,866 |
| Records: | | | | |
| (a) On their farms..... | ----- | 27,453 | 36,273 | 39,386 |
| (b) At agents' office..... | ----- | 216,036 | 200,699 | 134,748 |
| Individual farm planning: | | | | |
| (a) On their farms..... | ----- | 10,104 | 17,778 | 24,203 |
| (b) Office calls..... | ----- | 72,573 | 82,769 | 167,496 |

OUTLOOK AND OTHER TIMELY ECONOMIC INFORMATION

Educational work with farmers pertaining to economic forces affecting the financial returns to individual operating units and to agriculture as a whole continue to occupy a prominent place in extension programs in the various States and counties. The increased demands for such assistance have made it necessary to adopt new procedures and methods to meet these demands adequately. In many States an effort is being made to incorporate outlook work into all subject-matter extension activities, and to include pertinent outlook information in all types of meetings bearing upon production and marketing problems.

This work may be classified into three major categories, as follows:

1. The general economic outlook on a long-time basis involving a consideration of the course of prices in general, changes in consumer purchasing power and consumer demands, international financial relationships affecting the export outlet for farm commodities, and similar fundamental economic factors. The primary objective of this type of work is to enable farmers better to visualize current and future economic conditions and in turn to make more intelligent decisions on major long-time adjustments in

their farming operations. Such work is also directed toward the development of a better understanding of the general economic problems that may have to be met by the combined action of farmers.

2. The long-time outlook for specific agricultural commodities and the relationship of the general economic situation to the future status of the particular commodities involved. The major objective in this work is to enable farmers to organize their respective farm businesses more intelligently in order that business as a whole may return the greatest possible income and at the same time maintain the productive capacity of the soil.

3. The short-time outlook which reflects current conditions making short-time adjustments in the farm business desirable. The major objective of this work is to provide farmers with information in an interpreted form which will enable them to take advantage of short shifts in economic conditions, avoid unnecessary costs or losses, and thereby attain a greater net income from the current year's operations.

In the development of this work, the various States have laid considerable stress upon the preparation of economic materials and upon the training of county agents and other extension workers in the most effective ways of presenting such information to farmers. Some States hold conferences at the college for all extension workers subsequent to the release of the national annual outlook report in order that all extension workers may be informed of economic conditions. Many States hold regional or district training schools for county extension workers for the same purpose. In many of these district schools local farm leaders also are present, and they in turn assist the county agents in disseminating outlook information to farmers of the county in general. In a few States outlook film strips with interpretative notes have been developed for use in local meetings so that a local leader may have an easily understandable device to use in presenting the outlook to other local people.

In addition to the publication of an annual State outlook report, many States have developed an extensive system of current outlook releases which go to farm leaders and to the press. Current changes in economic conditions are thereby brought before a large portion of the farm population. The radio also is used for this purpose to a very large extent.

Particularly noteworthy has been the attempt on the part of extension workers throughout the Nation to develop a better understanding of the economic aspects of agriculture and the long-time outlook for farming on the part of the young people in organized groups. Also numerous leaders of 4-H club production projects are incorporating a consideration of the outlook for the specific commodities involved in project work when decisions are being made as to project work to be undertaken for the current year.

Outlook work with farm-women groups also expanded materially during 1936, and in many States farm-women leaders were included in the group of leaders given specific training in outlook use and its presentation to other rural people. Considerable emphasis was laid on the outlook for probable farm income and the ways in which that income could be used most effectively in view of the price outlook for various home needs that normally are purchased.

The economic situation and the outlook, as indicated later in this report, formed an integral part of the work with farmers in 1936 on the agricultural-conservation program, the economic reasons for such programs, and what they were set up to accomplish.

A statistical summary (table 3) pertaining to the outlook work follows:

Table 3. - Extension Work on Outlook in 1936, with Comparisons

| Item | Year | | | |
|---|--------|--------|--------|--|
| | 1934 | 1935 | 1936 | |
| Days spent by agents and specialists.. | 6,098 | 5,908 | 6,396 | |
| Communities in which work was conducted..... | 7,316 | 8,968 | 10,995 | |
| Local farmer leaders assisting with outlook work..... | 4,016 | 4,413 | 7,041 | |
| Outlook meetings held..... | 4,443 | 5,183 | 6,191 | |
| News stories published..... | 3,257 | 3,443 | 4,346 | |
| Circular letters..... | 2,686 | 1,953 | 2,638 | |
| Farm visits..... | 8,112 | 5,541 | 7,464 | |
| Office calls..... | 95,826 | 82,332 | 78,863 | |

FARM CREDIT

Development of a better understanding of the sound use of credit on the part of individual farmers and farmer cooperatives constituted a major activity on the part of extension workers during 1936. Although much of the credit activities of extension workers relating directly to emergency situations decreased materially during the year with improving financial condition of farmers, the seriousness of the farm-financing problem in the years immediately preceding laid the groundwork for greater accomplishments in the fundamentals of sound credit use in 1936 and for the future - educational work pertaining to sources of credit, the sound use of credit, obtaining credit at the lowest cost, and financing problems of cooperatives all came in for major consideration.

In the development of this work extension specialists prepared and distributed inventory blanks and credit-statement forms, usually in cooperation with lending agencies; held meetings to demonstrate the use of

these forms; and made extensive use of circular letters, posters, the radio, and the press to promote farmer interest and action in this procedure for obtaining credit on a sound basis.

Additional emphasis was placed on the need for appraising credit needs more thoroughly through a series of farmer meetings held in several different States wherein extension workers and representatives of lending agencies cooperated in presenting the relationship between sound farm management and sound credit, and the need for farmers to make a thorough appraisal of probable debt-paying capacity when considering applications for loans. In other instances extension workers demonstrated a procedure for budgeting for credit needs with actual individual farm situations in order that farmers might be shown how to proceed with such an appraisal of their own problems. Such work proved to be of valuable assistance to participating farmers, and plans were laid in 1936 for further expansion of this type of work in the future.

Extension specialists and county agents maintained close contact with the various local and regional branches of the different units of the Farm Credit Administration. Extension workers were in a position to give interested farmers adequate information as to the credit services available through these relatively new lending agencies, and to direct them to the proper lending organization. In this connection considerable help to individual farmers in working out individual credit needs was possible, and in many instances farmers were informed of the advantages of establishing a "line of credit," thus enabling them to obtain necessary funds at the time when needed and thereby to avoid unnecessary interest charges. Through such contacts extension workers were also able to render considerable assistance to lending-agency officials by informing them of the outlook for farm prices and the probable income to farmers so that these officials were in a better position to appraise both the credit needs and ability to repay of individual farmers.

The acuteness of the farm-credit problem in certain areas, particularly as it relates to production-credit needs and hazards, resulted in credit surveys being conducted in two States by extension workers in cooperation with other agencies. These surveys sought to determine whether under local conditions the use of credit was profitable to farmers, and what the most advantageous credit system would be under these local conditions. Such work is essential to the development of a sound credit system for farmers and should result in long-time benefits to the farmers of these areas.

State extension specialists and other extension workers devoted much attention in 1936 to the strengthening of the financial structure of rural cooperatives. Occasionally they have assisted in making the application for a loan from the banks for cooperatives which have been the most used source of funds in meeting the needs of the cooperatives for further financing. The close cooperation of economics-extension people and the banks for cooperatives is thus leading to a very thorough

overhauling of the structure and even the plan of operation of many farmers' cooperatives. Many meetings of groups of cooperative officials were held for educational work pertaining to sound financing and management of their organizations. Additional assistance of this type had to do with the county cooperatives or exchanges in the South. Here also the financing problem has been one of building up a membership equity in the business, and the cooperation between extension workers and the banks has been very close and apparently quite fruitful.

In some cases cooperatives that cannot meet the standards of the banks for cooperatives are being financed by the Resettlement Administration. Extension representatives have worked closely with these cooperatives and with the Resettlement Administration in this financing work and in the readjustment of business methods for the cooperatives in order to improve their financial condition.

Active cooperation existed between extension workers and officials of the Federal land banks operating in two different States in providing direct assistance to certain borrowers in the form of developing farm plans that would result in increased income and ability to meet farm-mortgage obligations. A few such farmers were selected in each of several counties within the two States, and the farms involved were used as demonstration farms to show other farmers in the area how they could improve the income-producing ability of their farms and thus hasten the elimination of mortgage indebtedness. These cooperating farmers were assisted with a system of farm-business records, not only so that they could study their own situations more advantageously, but also so that factual information might be made available to show other farmers the results of such reorganizations and the relation to mortgage-indebtedness elimination.

Debt-adjustment work continued to make certain demands upon the time of extension workers in 1936, although the improved financial condition of farmers lessened the amount of such work in this year as compared with the years immediately preceding. Local committees that were actively engaged in debt-adjustment work continued to look to extension economists for advice and assistance in this program.

Credit educational work with younger groups continued to receive the consideration of extension workers. Actual credit experience was provided through the financing of club projects by group loans. Extension workers promoted this experience by arranging for such loans from production-credit associations and local banks. Credit instructional work was also provided through considering credit problems and the fundamentals of sound credit use at group meetings of such members.

Statistical Report

The following (table 4) is the statistical summary of extension activities in short- and long-term farm and home financing during 1936 as shown by the annual reports.

Table 4. - Extension Activities in Short- and Long-Term
Farm and Home Financing, 1936

| Item | Year | | |
|--|---------|---------|---------|
| | 1934 | 1935 | 1936 |
| Days devoted to line of work by: | | | |
| (1) Home demonstration agents..... | 233 | 264 | 432 |
| (2) 4-H club agents..... | 270 | 219 | 110 |
| (3) Agricultural agents..... | 21,064 | 15,915 | 11,775 |
| (4) Specialists..... | 894 | 850 | 1,085 |
| Communities in which work was conducted..... | 13,973 | 14,321 | 12,199 |
| Voluntary local leaders or committeemen | | | |
| assisting..... | 11,004 | 7,194 | 5,048 |
| Days of assistance rendered by voluntary | | | |
| leaders or committeemen..... | 16,460 | 12,141 | 8,929 |
| Adult result demonstrations conducted..... | 10,092 | 7,554 | 4,752 |
| Meetings at result demonstrations..... | 253 | 203 | 201 |
| Method-demonstration meetings held..... | 1,314 | 1,784 | 785 |
| Other meetings held..... | 4,323 | 4,361 | 2,788 |
| News stories published..... | 7,530 | 5,445 | 3,801 |
| Different circular letters issued..... | 3,590 | 2,937 | 2,000 |
| Farm or home visits made..... | 17,601 | 14,568 | 12,716 |
| Office calls received..... | 418,105 | 489,855 | 276,640 |
| Farmers assisted in: | | | |
| Making inventory or credit statements..... | 125,437 | 102,220 | 67,355 |
| Obtaining credit..... | 458,979 | 430,107 | 245,280 |
| Making mortgage or other debt | | | |
| adjustments..... | 58,750 | 39,879 | 57,523 |
| Farm-credit associations assisted in | | | |
| organizing during the year..... | 2,726 | 670 | 1,240 |

EXTENSION PROGRAM IN MARKETING

Extension work in marketing can be classified into two major subdivisions, namely, those programs that have to do with general-marketing educational information, and programs that are conducted primarily for the purpose of assisting groups of farmers in operating their cooperative organizations more successfully.

With the growth of the cooperative movement throughout the United States, the latter type of program has been very prominent in the marketing extension programs in many States. When this rapid growth in the volume of business handled by cooperative agencies is considered, the need for such interest and attention on the part of the Extension Service becomes immediately apparent.

During recent years, however, with many new agricultural programs being presented to farmers for their consideration, a new impetus has been added to the general educational type of program. Much time has been spent in taking inventory of past marketing programs and policies, and in assisting farmers to think through their marketing problems and to make decisions on the basis of the economic facts that predominate the various marketing situations. With the realization of the need for more extension activities devoted to fundamental marketing principles, considerably more work has been done during the past 3 years along this line, in addition to the assistance rendered to the cooperative movement.

Service Work to Cooperatives

Probably the three greatest handicaps that cooperative institutions have had to overcome in the past have been the overselling of the idea, weak business management, and undesirable membership relations with their organizations. Naturally much of the assistance rendered by economic extension specialists and county agents to cooperative associations has centered around these points. Cooperative leaders were furnished information regarding problems of developing newly established cooperatives on a sound operating basis. Surveys and investigations relative to organization problems have been made by specialists and county agents in order to collect facts that would aid groups who are interested in organizing new associations.

Assistance has been given in preparing bylaws, incorporation papers, membership agreements, and marketing contracts that are consistent with the Capper-Volstead Act. Many cooperative organizations that have operated for several years are being assisted in revising their articles of incorporation and bylaws to comply with the above act. State marketing specialists and county agents have worked with cooperative-marketing and purchasing committees in drawing up revisions of their State cooperative laws, and the legislatures have been asked to make necessary changes in order that the State laws may comply with the Federal act.

A number of different programs have been effected to assist cooperatives with their business-management problems. Many States have held schools for managers and directors for the purpose of teaching better principles of business management and efficiency of operation. Much effort has been expended in establishing adequate accounting and record systems, and in training office forces to use the new systems. In some instances, the marketing specialists and county agents have been responsible for summarizing the receipts and expenditures of certain cooperatives and assisting them in preparing and interpreting financial statements and statistical reports for the information of the officials and members of the associations.

Very often officials of cooperative organizations seek the assistance of State extension specialists in analyzing data pertaining to the operation of their organizations, and in presenting the findings of such surveys to the managers and boards of directors with recommendations for desirable changes in the business. In some instances, the requests of

cooperative organizations make it necessary to supply such organizations with continuous current information that pertains to their business. In meeting this request, some States are issuing periodic circulars to supply their cooperative organizations with the information desired.

As mentioned above, membership problems or the lack of loyalty on the part of members to their associations have been one of the greatest handicaps in the cooperative movement. Consequently, many cooperatives have been assisted by the Extension Service in devising ways and means of supplying their memberships with information that they should have regarding the operations of the associations in which they should be interested.

In a number of States where State and county cooperative councils are active, the councils have requested the assistance of the marketing specialists and county agents in planning programs and holding meetings which would serve to inform members and officials regarding the purposes of the cooperative movement. In some instances, the State marketing specialists have served as executive secretaries of cooperative councils. In other instances, the specialists and county agents have fostered cooperative councils of the agricultural agencies not only to further the progress of cooperatives, but to create an understanding of urgent problems facing those engaged in the marketing of agricultural products.

Rising prices during recent years have stimulated interest in purchasing associations because of the possible savings involved. Not only have extension representatives given assistance to cooperative organizations of this kind, but they have endeavored to teach the limitations in cooperative purchasing, and have assisted members and officials in establishing the best forms of organization and operating methods. The integration of retail associations with cooperative wholesale associations has also been fostered. Furthermore, with the widespread interest in consumer cooperatives that exists at the present time, information and data pertaining to this type of cooperative have been assembled and analyzed, and helpful information has been extended where demanded. A number of States have prepared radio talks, bulletins, circulars, and mimeographed articles for circulation on the subject.

General Marketing Educational Work

In reporting the results of the programs that have to do with general educational information pertaining to the field of marketing, we find that much of the work has taken the form of field meetings, marketing schools, market tours, surveys, exhibits, work with 4-H club groups, and a consideration of market outlets, market facilities, and the various costs of distribution. During the past 2 years, marketing extension specialists and county agents have assisted with a large number of discussion-type meetings covering a wide field of economic topics including the different phases of marketing. Meetings in a number of States have been held in cooperation with production specialists for the purpose of improving the quality of products preparatory to marketing. These combination meetings have resulted in the establishment of improved varieties and in the use of

better seed in producing more desirable products for market. Emphasis has been placed on the necessity of supplying the consumer with the kind and quality of products in demand, if satisfactory prices are to be received at the time of marketing. For example, one State held a number of feed dealers' schools to familiarize dealers with the recommendations of the Extension Service pertaining to feeds, seeds, and fertilizers in order that farmers might produce products which would meet the demand of the consuming public. Other States have followed the policy of conducting a large number of tours to central or terminal markets to study market prices as an indicator of consumer preferences and demand. Specialists in still other States have organized and taught a series of lessons in farm marketing to adult groups of farmers in order that they might better understand the economic principles and factors that are involved in our system of distribution.

A popular type of meeting in the Western States during the past few years has been district livestock- and wool-marketing schools, where representatives of the Federal and State Extension Services, Farm Credit Administration, and cooperative associations handling these products, cooperated in order to present a complete picture of the problems involved in marketing these products. Numerous commodity-marketing meetings have been held with farmers to discuss certain problems in marketing and distribution which affect the prices received at the time of marketing.

With the development of marketing agreements sponsored by the Agricultural Adjustment Administration, and of somewhat similar programs developed under State legislation, marketing specialists and county agents have held a number of meetings for the purpose of discussing with producers the economics of marketing, with particular reference to such agreements and programs. Because of the great demand for the time and assistance of marketing specialists, recently several States have set up marketing committees in their various counties for the purpose of obtaining assistance from the committees in determining the marketing educational programs for the counties and in receiving the assistance of the committeemen in conducting such programs.

Many grading demonstrations have been held during the past year, not only for the purpose of teaching how to grade the products that are to be marketed, but also of showing the importance of grades as a basis for selling and the factors that are considered in determining grades. In the case of fruits and vegetables, marketing specialists in cooperation with marketing agencies have sponsored grading and shipping-point inspection in a number of States. Emphasis has been placed on the proper care of perishables in the channels of distribution in order to maintain quality to the ultimate consumer. Independent dealers also have been given assistance in establishing grades and in the purchasing of farm products on the basis of grades. A number of schools have been held for the purpose of training students to qualify as Federal graders. Still other grading demonstrations have had to do with breeding and market livestock, poultry, eggs, dairy products, cotton, tobacco, grains, and wool.

Marketing specialists, particularly in the Eastern States, have used considerable time during the past year in making surveys and studies to determine needed improvements in the physical marketing facilities of their produce markets. In some instances, assistance has been given in the establishment of new regional produce markets on more appropriate sites to alleviate crowded conditions. Other studies conducted by extension specialists have had to do with determination of the forces that establish price and the relative importance of such factors; the determination of potential production of agricultural products and consumer demand for the products produced; the need for new marketing machinery, the logical location and the extent to which such machinery could and would be used by producers in an economic way; the economic factors involved in the marketing of farm products in large terminal market areas; and the analysis of spreads between farm prices and the retail prices of some commodities.

Transportation problems, particularly those involving the movement of farm products to market by motor truck, have required considerable attention of marketing specialists. Some States have found it desirable to maintain market services in county agents' offices located in producing centers. These services consist of listing the names of growers having perishable products for sale, the approximate amount, price, and grades, as well as a list of buyers who market the products by truck. In the livestock areas several States have given assistance in planning truck service for livestock farmers, in order that they may receive reliable service at a reasonable rate.

Marketing and other economic specialists have given more time during the past year to the educational programs for 4-H club and young peoples' groups. Assistance has been given in the organization of 4-H farm-management and marketing clubs, in training judging and grading teams, in the holding of meetings to train club leaders in the use of marketing information and materials, in organizing and conducting schools for training 4-H club members in the principles and fundamentals of general and cooperative marketing, in the stapling and grading of cotton, and in the establishment and operation of cotton pools and auction sales. State essay contests on cooperative marketing have been held, and several States have prepared handbooks that contain lessons on cooperation for 4-H club cooperative leaders. An active part has been taken by marketing specialists in presenting material on co-operation, market and price trends, and other economic information at 4-H club summer camps. A few States render a service to club members of classifying different livestock projects in order of their prospective profitability to be derived at the time the projects are completed.

Table 5 gives a statistical presentation of the distribution of the time spent in the field of marketing extension for the year 1936 as compared with the 2 previous years:

Table 5. - Time Spent in Field of Marketing Extension,
1934, 1935, 1936

| Item | Year | | |
|--|---------|---------|---------|
| | 1934 | 1935 | 1936 |
| Days devoted to work by - | | | |
| Home demonstration agents..... | 2,087 | 3,103 | 3,328 |
| 4-H club agents..... | 62 | 191 | 337 |
| County agricultural agents..... | 16,358 | 16,347 | 17,670 |
| Specialists..... | 1,612 | 1,844 | 2,248 |
| Communities in which work was conducted..... | 12,260 | 13,160 | 14,951 |
| Voluntary local leaders or committeemen | | | |
| assisting..... | 8,466 | 8,550 | 10,935 |
| Days of assistance rendered by voluntary | | | |
| leaders or committeemen..... | 17,580 | 20,578 | 22,314 |
| Adult result demonstrations conducted..... | 7,408 | 8,000 | 5,534 |
| Meetings at result demonstrations..... | 1,231 | 916 | 687 |
| Method-demonstration meetings held..... | 2,676 | 2,263 | 2,645 |
| Other meetings held..... | 6,501 | 6,922 | 7,381 |
| News stories published..... | 7,265 | 7,793 | 8,661 |
| Different circular letters issued..... | 6,651 | 4,792 | 5,980 |
| Farm or home visits made..... | 26,068 | 29,762 | 36,981 |
| Office calls received..... | 264,007 | 272,984 | 253,116 |

OTHER PHASES OF AGRICULTURAL ECONOMICS EXTENSION WORK

Increased recognition on the part of farmers of the need for making a more thorough analysis of farming systems has resulted in an intensive effort on the part of the Extension Service to provide a means whereby farmers might be given an opportunity to consider collectively, the major agricultural problems of their respective areas and arrive at recommendations concerning needed adjustments and ways to accelerate their adoption. In providing this opportunity extension specialists in cooperation with State college staff members, experiment-station workers, and representatives of the various divisions of the United States Department of Agriculture, attempted to provide these farmer groups with the necessary factual information which would enable them to weigh the problems involved more adequately. In making their analyses and recommendations, farmers considered the problems of soil erosion, soil fertility, market outlets for farm products, price trends, and other factors, and the relationship of these factors to farmer income and farmer welfare. This activity was a significant step in an informed attack upon the problems facing the agricultural industry, both from the short-time and long-time viewpoint, and was of material value in developing an understanding of the relationship between the individual farm and the industry as a whole.

A tangible result of this work was the development, by farmers themselves, of long-time recommended land-use programs that provide a basis for the development of the various programs aimed at the improvement of agricultural conditions. A less tangible but perhaps more valuable result was the development of a greater appreciation on the part of participating farm people of the broad problems facing agriculture so that they in turn can function more effectively in the shaping of future agricultural programs on a sound basis, and also adjust their own individual farming operations more wisely.

Committees of farmers and farm women were formed in approximately 2,500 agricultural counties in 45 States to consider these problems and make recommendations for their solution. From one to five meetings were held by these county committees in the course of their deliberations, and in many counties local meetings were held in various communities to make possible a wider participation in this procedure. Extension workers carried the responsibility in organizing these committees and assisting them in conducting the meetings.

Although no accurate record is available of the number of different individuals participating in this specific extension activity or the number of meetings held in connection with this specific project in the 45 States, the following quotation from the annual report of one State extension specialist gives some indication of the extent of this work:

"This program resulted in 1,281 meetings attended by 30,783 persons. Four thousand one hundred and eighteen questionnaires were filled out by farmers and summarized by various committees."

In at least four States extension educational programs were carried, centered around land use in its broadest aspects. In these States the extension forces in cooperation with the research divisions of the college mapped areas of land and classified them according to their adaptability for agricultural uses. Tours for farmers and other interested persons were conducted for the purpose of inspecting areas not suited to agriculture but which are now being farmed to a greater or less degree, and for the purpose of indicating the economic, social, and civic problems arising from use of such land. Likewise, discussion meetings were held and various other means were used to disseminate information, create interest, and promote suitable action in solving the problems involved.

Taxation and rural-government problems were given consideration in the extension program in at least three States. In addition to general educational work with the public at large, advisory assistance was rendered to local governmental groups in the attempt to solve some of their local problems.

Extension specialists and county agents assisted local groups of farm people with organized "discussion meetings." In these meetings some of the major economic problems facing the agricultural industry were discussed, and ways and means of solving these problems were considered. Likewise, organized extension schools were held on an enrollment basis,

wherein those in attendance came together in four or five successive meetings to study economic problems in an intensive way. Farmers were very appreciative of these meetings, and in the States where this work was conducted plans were laid for additional meetings of a similar nature in the ensuing year.

Work in Cooperation With Other Governmental Agencies

Extension specialists in economics and county agents continued to render assistance to the Agricultural Adjustment Administration in 1936 as in the previous years in both administrative and educational phases of the program. In several States the extension economist served on the State agricultural-conservation board as an adviser representing the extension service. Likewise, in certain States the county agent gave considerable time to assisting the county board administering the program. Practically all of the local educational meetings were arranged for through the county agent, who also helped to conduct the meetings. Through this procedure extension workers were able to be of real service to farmers, not only through helping them solve their individual problems but through promoting a better understanding of the aims and objectives of the program as a whole. Agents' reports indicate that they were instrumental in providing information about the agricultural-conservation program in 1936 to 4,460,366 farmers.

Extension workers cooperated closely with the Rehabilitation Division of the Resettlement Administration. State specialists assisted with the training of local rehabilitation supervisors in the methods of appraising a farm business and setting up farm plans for their clients. Specialists also assisted in the preparation of the necessary forms for this purpose. They also rendered direct assistance to these clients in many States through teaching them how to use farm record books and budget forms. County agents in many cases assisted local supervisors in the selection of farmers to be given rehabilitation assistance, and in numerous counties served on the board of review to pass upon the acceptability of the farm plans for these clients.

Both specialists and county agents cooperated with the Tennessee Valley Authority in the working out of long-time farm plans on farms selected for demonstrational purposes and assisted those farmers with their farm records. Similarly, specialists and agents assisted field workers of the Soil Conservation Service in the drawing up of farm plans for cooperating farmers in their different project areas and in assisting farmers with their farm records. Extension workers cooperated with the Rural Electrification Administration in organizing rural electrification cooperatives for the purpose of developing electric service in areas not previously provided with this facility. Finally, it should be stated that during the drought of 1936 extension specialists and county agents cooperated with the Federal Surplus Commodities Corporation and production-credit agencies in moving good-quality breeding livestock to other owners, or to pasture and feed supplies in other parts of the country.

In fact, economics-extension specialists have attempted to so develop their plans of work as to cooperate to the fullest extent with other agencies in rendering assistance and services to farmers. Through this cooperative effort it is hoped that a more successful approach to the solution of farm problems may be attained.

**Agricultural Economics Extension
Work in 1936**

Agricultural Economics Section



UNITED STATES DEPARTMENT OF AGRICULTURE
Extension Service.....C. W. WARBURTON *Director*
Division of Cooperative Extension.....C. B. SMITH *Chief*
Washington, D. C.

